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## United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP
WASHINGTON, DC 20510–6350

October 17, 2003

BY FACSIMILE ORIGINAL BY U.S. MAIL

The Honorable Hector V. Barreto Administrator Small Business Administration 409 Third Street SW Washington, DC 20416

Dear Hector:

As Chair of the Senate Committee on Small Business, I am pleased to learn that you are taking steps to address current procurement regulations that limit small business participation in Federal contracting.

As you know, the Small Business Act declares as the policy of the United States that small businesses have the "maximum practicable opportunity to participate" in Federal contracting opportunities. Yet, the Federal Acquisition Regulations that implement certain acquisition-related sections of the Small Business Act apply only in the United States and certain territories and possessions.

In FY 2002, the Federal government awarded more than \$11 billion in overseas procurement, an increase of more than 60 percent in the last four years. In light of the above, I am concerned that small businesses may not have a fair opportunity to compete for these overseas Federal contracting opportunities.

When small businesses lose contract opportunities, the economy loses a vital source for job growth. Therefore, I appreciate the efforts by you and your staff to reduce this barrier to small business participation in overseas Federal contracting opportunities and to bring about a successful conclusion to this challenge.

If you have any questions, please contact Nancyellen Gentile of the Senate Small Business Committee Staff on (202) 224-5175.

Olympia J. Snowe